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THE DYNAMICS OF INFORMATION FLOW, RECOMMENDATIONS TO IMPROVE THE FLOW OF INFORMATION WITHIN AND AMONG FEDERAL, STATE AND LOCAL GOVERNMENTS.

INTERGOVERNMENTAL TASK FORCE ON INFORMATION SYS.

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THE INTERGOVERNMENTAL TASK FORCE ON INFORMATION SYSTEMS WAS CREATED BY THE U.S. BUREAU OF THE BUDGET, COUNCIL OF STATE GOVERNMENTS, NATIONAL ASSOCIATION OF COUNTIES, NATIONAL LEAGUE OF CITIES, U.S. CONFERENCE OF MAYORS, INTERNATIONAL CITY MANAGERS' ASSOCIATION AND THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS TO STUDY AND IDENTIFY IMPEDIMENTS TO ATTAINING AN EFFECTIVE FLOW OF INFORMATION WITHIN AND AMONG GOVERNMENTS AND TO RECOMMEND ACTIONS THAT COULD BE TAKEN AT THE FEDERAL, STATE AND LOCAL LEVELS OF GOVERNMENT. THE TASK FORCE FOUND A NUMBER OF FACTORS WHICH HINDER THE DEVELOPMENT OF AN EFFICIENT INFORMATION FLOW. AMONG THESE ARE--(1) THE LACK OF STRONG, CENTRAL COORDINATION AT ALL LEVELS OF GOVERNMENT OVER THE DEVELOPMENT AND OPERATION OF INTERNAL INFORMATION SYSTEMS, (2) THE FRAGMENTATION OF FEDERAL GRANT-IN-AID PROGRAMS WHICH ARE AVAILABLE TO ASSIST STATE AND LOCAL GOVERNMENTS IN THE DEVELOPMENT AND OPERATION OF INFORMATION SYSTEMS, (3) THE LACK OF ADEQUATE COORDINATION AMONG SEPARATE FEDERAL AND STATE PROGRAMS WHICH IMPOSE REQUIREMENTS FOR SOCIO-ECONOMIC DATA UPON THE LOWER LEVELS OF GOVERNMENT, AND (4) THE LACK OF APPROPRIATE CONSULTATION BY FEDERAL AND STATE AGENCIES WITH LOWER LEVELS OF GOVERNMENT PRIOR TO IMPOSING REQUIREMENTS FOR INFORMATION. THE TWENTY MAJOR RECOMMENDATIONS FOR ACTION INTENDED TO CONTRIBUTE TO THE OVERALL OBJECTIVE OF BETTER AND MORE RESPONSIVE INFORMATION SYSTEMS ARE DISCUSSED WITHIN SEVEN AREAS--(1) IMPROVING INFORMATION SYSTEMS WITHIN GOVERNMENTS, (2) IMPROVING THE EXCHANGE OF INFORMATION AMONG GOVERNMENTS, (3) STRENGTHENING INFORMATION SYSTEMS AT THE LOCAL LEVEL, (4) SHARING SYSTEMS KNOWLEDGE, (5) ACHIEVING COMPATIBILITY AMONG SYSTEMS, (6) IMPROVING INFORMATION ABOUT FEDERAL ASSISTANCE PROGRAMS, AND (7) GUIDELINES FOR ACTION. THESE RECOMMENDATIONS ARE INTENDED AS A FIRST STEP TOWARD IMPROVING THE INTERGOVERNMENTAL FLOW OF INFORMATION. A CONTINUING NATIONAL EFFORT WILL STILL BE NEEDED TO REVIEW AND IMPROVE THE COORDINATION AND EFFECTIVENESS OF INFORMATION SYSTEMS WITHIN AND AMONG ALL GOVERNMENTAL UNITS. (CM)

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# The DYNAMICS of INFORMATION FLOW

a report by the

## INTERGOVERNMENTAL TASK FORCE ON INFORMATION SYSTEMS

000751

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
OFFICE OF EDUCATION

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JUL 11 '68
UNIVERSITY OF MINNESOTA

# The Dynamics of Information Flow

## RECOMMENDATIONS

## TO IMPROVE THE FLOW OF INFORMATION

## WITHIN AND AMONG

## FEDERAL, STATE AND LOCAL GOVERNMENTS

A REPORT BY THE
INTERGOVERNMENTAL TASK FORCE
ON INFORMATION SYSTEMS
*APRIL 1968*

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# FOREWORD

This report contains recommendations to improve the flow of information within and among the Federal, State and local governments. It is the result of a cooperative study conducted by an Intergovernmental Task Force on Information Systems arranged by the U.S. Bureau of the Budget, Council of State Governments, National Association of Counties, National League of Cities, U.S. Conference of Mayors, International City Managers' Association and the Advisory Commission on Intergovernmental Relations. The purpose of the study was to

-- identify impediments to attaining an effective flow of information within and among governments, and

-- recommend actions that could be taken at the Federal, State and local levels of government.

INTERGOVERNMENTAL TASK FORCE ON INFORMATION SYSTEMS

NEW EXECUTIVE OFFICE BUILDING
WASHINGTON, D.C. 20503

April 1, 1968

Director, U.S. Bureau of the Budget
Chairman, Advisory Commission on Intergovernmental Relations
President, Council of State Governments
President, National Association of Counties
President, U.S. Conference of Mayors
President, National League of Cities
President, International City Managers' Association

The Task Force on Intergovernmental Information Systems which you created in April 1967 is pleased to provide you with its report and recommendations.

We have attempted to identify the major impediments to attaining an effective intergovernmental flow of information. The unique composition of this Task Force has made it possible to examine problems at each of the various levels of government represented by our sponsoring organizations.

Our report provides a series of recommendations that affect and require action by all levels of government. We believe their implementation would result in an improved set of systems and structures for alleviating the difficulties and problems of information flow. Some of the recommendations can be accomplished quickly; others will require a longer period of time. But work on all of the recommendations should begin now.

We wish to emphasize that these recommendations are only a first step toward improving the intergovernmental flow of information. We urge each of our sponsoring organizations to support a continuing national effort to review and improve the coordination and effectiveness of information systems within and among all governmental units.

We wish to acknowledge the assistance and cooperation of many agencies and organizations at the Federal, State and local levels of government that provided us with information, ideas, and suggestions. It was only through their enthusiastic help that this report is possible.

Respectfully,

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CHAPTER I

# SUMMARY – PLAN OF ACTION

Federal, State and local governments are making increasing demands for better information in order to plan, operate and evaluate programs to meet public needs. As these needs become more complex, many programs are taking the form of cooperative arrangements involving joint action and the sharing of resources by several governmental levels. This development -- spurred in recent years by a dramatic increase in Federal aid which in fiscal year 1968 is estimated to be almost $18 billion -- is creating a whole new set of working relationships among governments as well as within governments. Manifesting these interrelationships are the greatly expanded cooperative programs to broaden educational opportunities, help economically-depressed areas, provide health and medical care, alleviate poverty, improve transportation facilities and transform blighted neighborhoods.

Intergovernmental approaches to the solution of public problems require that reliable information flow readily among those who share responsibility, so that concerted action may be taken. In general, information systems now in use, and current efforts to improve them, are not geared to satisfy this requirement. The Task Force study revealed that

-- it is often difficult to exchange information quickly and economically among governments;
-- information is often unreliable, and difficult to summarize and evaluate;
-- there is unnecessary duplication of systems dealing with similar kinds of information;
-- unreasonable and conflicting demands for information are sometimes placed upon the lower levels of government;
-- State and local governments are frustrated in attempts to develop coordinated, unified systems;
-- scarce resources are being wasted unnecessarily.

These conditions are traceable to a number of factors which impede the development of an efficient flow of useful information. The more important of these are:

1. The lack of strong, central coordination at all levels of government over the development and operation of internal information systems.
2. The fragmentation of Federal grant-in-aid programs which are available to assist State and local governments in the development and operation of information systems.
3. The lack of adequate coordination among separate Federal and State programs which impose requirements for socioeconomic data upon the lower levels of government.
4. The lack of appropriate consultation by Federal and State agencies with lower levels of government prior to imposing requirements for information.

5. The absence of recognized, responsive channels for consultation among Federal, State, and local agencies.
6. The absence of effective controls within Federal and State agencies over the kinds of information and the level of detail required from lower levels of government.
7. The scarcity of technical capabilities and skills in some States and most local governments.
8. The lack of a responsive mechanism whereby successful experiences in the design and operation of information systems can be exploited by other governmental units with similar needs.
9. The absence of recognized standards for data elements and codes having broad usage in cooperative governmental programs.
10. The incompatibility of data processing equipment and related software used by governmental units.
11. The absence of an official central source of information on all Federal assistance programs to help State and local governments in planning for the use of these programs.

It is recognized that some of the impediments cited above are the product of larger issues involving matters of public policy, constitutional and statutory restrictions, and government organization, the legitimate purposes of which are often in conflict with and override the objective of achieving an effective flow of information. Nevertheless, Federal, State and local governments can act in many important ways to improve information systems even within the constraints imposed by these larger issues.

The major recommendations for action are summarized below. Although the recommendations are grouped according to the chapter titles under which they are discussed, all recommendations are interrelated and tend to complement and support one another in their contribution to the overall objective of better and more responsive information systems.

The agencies that should assume primary responsibility for implementation are indicated in parentheses at the end of each recommendation.

Improving information systems within governments (Chapter 2).

1. Provide for the coordinated development of information systems within each government. (U.S. Bureau of the Budget, State governments and local governments.)
2. Enact the proposed Joint Funding Simplification Act being considered by the Congress.
3. Provide information systems for the President, Governors, and Chief Executives of local governments, to facilitate efficient decision-making. These information systems would utilize the other information systems within the government concerned. (Executive Office of the President, State governments and local governments.)

Improving the exchange of information among governments (Chapter 3).

4. Organize active consultation between Federal agencies and State and local governments in the development of intergovernmental information systems in major functional areas such as crime, employment security, health, and education. (Federal agencies.)
5. Develop, under the leadership of the U.S. Bureau of the Budget, a standard "package" of socioeconomic data to be used as a base by Federal agencies in obtaining information from State and local governments. The same package should be used by State governments in obtaining information from local governments.
6. Create a State-Local Information Advisory Council as a means by which Federal agencies may secure representative views of State and local governments. (National Governors' Conference, Council of State Governments, The National Association of Counties, National League of Cities, U.S. Conference of Mayors, and International City Managers' Association.)
7. Create a Local Information Advisory Council within each State to promote effective consultation between the State and local agencies. (State governments.)
8. Require evidence of consultation with State and local agencies (or representative bodies) before approving Federal agency requests for information levied on such agencies. (U.S. Bureau of the Budget.)
9. Coordinate and audit periodically the information requirements imposed on other levels of government by Federal and State agencies. (U.S. Bureau of the Budget and State governments.)

Strengthening information systems at the local level (Chapter 4).

10. Pool the resources of local government to launch a program of mutual assistance in upgrading local information systems. (State-Local Information Advisory Council recommended in Chapter 3).
11. Enact the Intergovernmental Cooperation Act and the Intergovernmental Manpower Act being considered by the Congress.

Sharing systems knowledge (Chapter 5).

12. Create an Intergovernmental Information Systems Exchange to (a) serve as a clearinghouse on information systems which are used or are being developed by local, State and Federal governments, and (b) promote compatibility among such systems. (Advisory Commission on Intergovernmental Relations.)
13. Establish and operate the Intergovernmental Information Systems Exchange under the auspices of the Advisory Commission on Intergovernmental Relations, assisted by a Steering Committee representing all governmental levels. (Advisory Commission on Intergovernmental Relations.)
14. Support the Intergovernmental Information Systems Exchange by advance financial contributions from all levels of government. (Federal, State and local governments.)

Achieving compatibility among systems (Chapter 6).

15. Accelerate the recently-established Federal Government program for the development of standard data elements and codes, particularly in major functional areas, and consult actively in an organized fashion with State and local governments where such data elements and codes interact with their systems. (U.S. Bureau of the Budget and Federal agencies.)
16. Provide for active participation by State and local governments in the national program for the development of information processing standards being conducted under the auspices of the USA Standards Institute (USASI), to augment and complement the considerable efforts now being devoted to this program by the Federal Government. (State-Local Information Advisory Council recommended in Chapter 3.)
17. Implement approved information processing standards at the State and local levels of government, based upon recommendation of the national associations which represent these governments. (State-Local Information Advisory Council recommended in Chapter 3, and State and local governments.)

Improving information about Federal assistance programs (Chapter 7).

18. Designate a Federal Information Center on Assistance Programs to serve as the primary national source of information on these programs.

Guidelines for action (Chapter 8).

19. Issue guidelines to be used by Federal agencies for cooperating with and assisting State and local governments in improving the flow of information within and among governments. (U.S. Bureau of the Budget.)
20. Issue similar guidelines to be used by States and major local governments. (States and major local governments.)

CHAPTER 2

# IMPROVING INFORMATION SYSTEMS WITHIN GOVERNMENTS

The flow of information among governments will be effective only if each government is able to respond to its responsibilities for contributing to that flow. The first requirement, therefore, is for each individual government to improve its own information systems; in short, to set its own house in order.

1. **Recommendation:** Provide for the coordinated development of information systems within each government.

The development and operation of information systems has usually been left to the departments within each government, and to the components of the departments.

Frequently, the systems vary in quality, process the same kinds of information unnecessarily, produce incompatible data, fail to make effective use of expensive automatic data processing equipment and neglect the information needs of officials having government-wide responsibilities.

The day when this unilateral approach was satisfactory has ended. Today's complex public problems usually require the coordinated action of several departments and agencies to work out acceptable solutions. Accordingly, information systems on which such actions are based can no longer remain self-contained but must increasingly take into account the horizontal relationships that exist among departments and the coordinating responsibilities of officials to whom the departments report.

Clearly, there is need in each sizeable government for an Information Coordinating Office (or its equivalent) to provide central coordination and guidance over the development and operation of the government's information systems. This need has been recognized by a few States and by some of the larger local governments who have established central offices for this purpose. The Task Force urges that similar action be taken by all states and by all local governments where the size and complexity of operations warrant it (e.g. cities of 50,000 - 100,000 population and up).

The Information Coordinating Office should, in general, be assigned responsibility for planning and coordinating the development of information systems used throughout the government, including statistical information.

The Office should provide professional expertise and be concerned with short-term needs such as assisting departments in analyzing and improving existing information systems, medium-term needs such as coordinating and assisting in the development of new systems, and long-term needs such as the preparation of a coordinated information systems development plan which projects the needs of the government over a 5-year period. Ordinarily, the Office should not assume responsibility for operating the system(s). This is normally done by the departments, sometimes through a central data processing facility.

From an organizational standpoint, it is essential that the Information Coordinating Office be located at a level which permits it to view the information needs and systems from a government-wide perspective, so that the interests of all departments which bear the operating responsibilities are taken into account properly, and so that the influence of the Office can be catalytic in the resolution of inter-departmental problems.

The Task Force recognizes the magnitude of the problems that exist in coordinating information systems at the Federal level, where the operational complexities of a single department can readily exceed those of the major states. Nevertheless, it is apparent from the experience of State and local governments, who are sometimes faced with conflicting or unreasonable demands from Federal agencies, that some constructive action to achieve better coordination is needed.

As a first step, the Task Force urges that an Information Coordinating Office or function, similar to that suggested for States and local governments, be established within each major Federal department and agency, at least in those that are involved in inter-governmental relationships. In some agencies, such offices already exist.

Linkage among these Offices should be provided by the U.S. Bureau of the Budget, where over-all guidance would be developed and promulgated.

Several programs are now being conducted by the U.S. Bureau of the Budget which contribute, or give promise of contributing, to improved coordination among Federal agencies. Among these are the programs for standardizing data elements and codes (Bureau of the Budget Circular A-86; see discussion in Chapter 6), the program required by the Federal Reports Act of 1942 for approving agency requests for statistical information from public sources, and the program for reporting Federal outlays by geographic location (Bureau of the Budget Circular A-84). In addition, the publication of a Circular providing guidance and criteria relating to Federal, State and local information systems as proposed in Chapter 8 would serve an immediate useful purpose. Programs such as these form the base to generate a more extensive effort to coordinate Federal systems and to give attention to the growing proliferation of overlapping systems and information centers which duplicate information and facilities unnecessarily.

It is important to note that while the creation of Information Coordinating Offices (or their equivalent) by the Federal Government and by each State and major local government is intended to improve internal operations, these Offices also provide a natural and convenient focal point for strengthening relationships and achieving better coordination among governmental levels as discussed in Chapter 3.

Further, it is essential that each level of government avoid actions which conflict with the efforts of the other levels to achieve their objective of coordinated systems development. This principle coincides with the U.S. Bureau of the Budget Circular A-85 which states that Federal regulations should not encumber the heads of State and local governments in providing effective organizational and administrative arrangements.

2. **Recommendation:** Enact the proposed Joint Funding Simplification Act being considered by the Congress.

Some States and local governments are proceeding with the development of "integrated government-wide information systems." These systems attempt to recognize, in an organized fashion, the operating and information relationships that exist among the government's various programs. Usually an integrated system consists of a number of sub-systems which serve specific functional areas, sometimes from a common data base, and involves the use of electronic data processing techniques.

In some instances, State and local governments seek Federal aid in the development and operation of these integrated systems, in which case a proposal will usually involve two or more grant-in-aid programs administered by several different agencies. (In one specific case, a proposal involved six Federal agencies and 20 different aid programs.) Under present procedures, the government submitting a request for Federal aid must deal separately with each agency, and each agency responds in accordance with the resources available for its specific portion of the proposal. Obviously this situation frustrates the government seeking aid, and makes it difficult for the Federal Government to coordinate its action on the proposal. The net result is that the State or local government is forced to proceed in disjointed fashion on a project whose principal objective is a properly-coordinated approach to a complex information-system problem.

In recognition of these difficulties that result from the present fragmentation of grant authorities, the Federal Government has submitted proposed legislation to the Congress in the form of the Joint Funding Simplification Act. This legislation, although directed to the broad problem of simplifying the administration of grants-in-aid, has a direct bearing upon and would alleviate the problem described in the preceding paragraph. It would enable Federal agencies to combine related grants into a single financial package and permit one Federal agency, upon proper delegations of authority, to approve projects in behalf of the other agencies involved.

Prompt enactment of this legislation would ease the administrative burdens of present procedures and make it easier for State and local governments to proceed in a coordinated fashion in setting their own houses in order.

Meanwhile, it is strongly urged that the Federal Government arrange for the establishment of a "lead-agency" concept in dealing with grant applications involving several agencies. Under this concept, one agency could be designated as the "lead-agency" for the purpose of convening all other agencies to conduct a joint review of the application and to frame a coordinated Federal approach, and serving as the principal communications channel for the applicant.

3. **Recommendation:** Provide information systems for the President, Governors, and Chief Executives of local governments to facilitate efficient decision-making. These information systems would utilize the other information systems within the government concerned.

As government becomes increasingly complex, it becomes ever more difficult to comprehend all the activity generated. Nevertheless, it is incumbent upon the chief executive to be aware of the important trends taking place in each of his areas of responsibility. His awareness, to a large extent, depends on an organized flow of information within his government. If his decisions are to be informed, he must have at his command an information system which controls the generation and processing of all the important information which passes through his government.

Today the President at the national level, the Governors at the State level, and the chief executives of local governments sit on top of information systems that vary from the highly sophisticated to the incredibly inept. Moreover, information systems within any government jurisdiction vary as to quality. There is a need to define the information requirements of the chief executive and then to assure that the information systems within the government are developed so that they can meet these needs. This function should be a responsibility of the Information Coordinating Office described earlier in this chapter.

The definition of the chief executive's information requirements would involve:

1. Analysis of the information presently received by his office to determine its adequacy in terms of need, reliability, timeliness and comparability with other related items of information.
2. The preparation and implementation of a systems development plan to meet the requirements resulting from the analysis.

The information requirements of the chief executive will influence the whole organization from the top down. Thus, the job of the Information Coordinating Office may not be an easy one, since it requires that the systems of the individual departments be reconcilable to the information requirements of the chief executive. However, the Task Force believes that the requirements of the chief executive are generally compatible with the normal internal information requirements of the various departments and can, therefore, be met as by-products of the departmental systems with perhaps relatively minor adjustments.

CHAPTER 3

# IMPROVING THE EXCHANGE OF INFORMATION AMONG GOVERNMENTS

As governments at all levels become increasingly interdependent, the need to exchange and share information becomes more frequent. As the exchange of information becomes more frequent, the costs of developing information especially to meet the needs of other governments become more burdensome.

Information is more useful and can be exchanged among governments more easily and more economically if it is developed in the first instance according to common definitions and in common formats. Thus, there are obvious advantages to developing information systems at each level of government with elements of compatability so that the information to be exchanged and shared can be drawn directly from existing systems without further editing.

The Task Force finds that Federal, State, and local governments have a mutual desire to promote easier transfer of information. However, this objective is neither readily nor automatically achieved and a continuing, coordinated effort is required if it is to be attained.

4. **Recommendation:** Organize active consultation between Federal agencies and State and local governments in the development of intergovernmental information systems in major functional areas.

Many Federal agencies already have consulting mechanisms functioning in one way or another. Some of these devices appear to work well. Others appear to work not at all -- or at least representatives from State and local governments sometimes feel that consultations are entirely pro forma and that they amount to the announcement of decisions rather than actual consultation. The Task Force believes that it is important to insure that consultation between Federal and State and local governments is both active and systematic.

Where existing mechanisms for consultation are adequate, they should become a recognized part of a larger system to insure the continuation of consultation on a regular, organized basis. Where existing mechanisms are inadequate, they should be improved. Where they do not exist, they should be created.

All matters relating to the development of major functional information systems should be subject to consultation. Such information systems as those relating to agricultural production, crime, education, employment and health, which, by their very nature, call for intergovernmental cooperation, must obviously be included. In these areas, the Task Force strongly urges the formation of intergovernmental systems teams who would give immediate and continuing attention to the needs for information that exist at each governmental level, the requirements for compatibility, and related formats and procedures.

Each level of government should be represented on these teams by personnel who represent and are knowledgeable in the functional area under review and, in addition, by personnel who have government-wide interests and can coordinate the work of the team with information system developments in other functional areas, so that horizontal linkages among functional areas can be established. Federal agencies should assume the initiative in arranging for the establishment and operation of these intergovernmental teams.

Some Federal information systems, although independent in principle, frequently include subject matter which is exchanged between governments. When changes are proposed for such systems, consultations with the other governments are desirable to insure that the changes proposed do not lead to a loss of useful information to those governments which are secondary users of the system.

5. **Recommendation:** Develop, under the leadership of the U.S. Bureau of the Budget, a standard "package" of socioeconomic data to be used as a base by Federal agencies in obtaining information from State and local governments. The same package should be used by State governments in obtaining information from local governments.

The reporting requirements imposed by Federal agencies upon State and local governments in connection with Federal aid programs are sometimes not well coordinated as to form and content. This is particularly true with respect to requirements for socioeconomic data which are often in common use across numerous functional areas. As a result, State and local governments are forced to make substantial efforts to recast basic data in different ways and in different formats depending upon the Federal agency with which they are dealing. Further, these inconsistencies generate questions as to the reliability and usefulness of the data.

The Task Force believes that it should be possible for Federal agencies to agree upon a basic set of socioeconomic data requirements and formats, relevant parts of which would satisfy the needs under different programs administered by these agencies. It is recommended that the U.S. Bureau of the Budget organize an inter-agency study project with this objective in mind.

This study should include appropriate consultation with State and local governments, using the consulting devices suggested in this chapter. As a result of such cooperative efforts, State governments should then be in a position to adopt the same standards in prescribing requirements for socioeconomic data in connection with State-aid programs for local governments.

6. **Recommendation:** Create a State-Local Information Advisory Council as a means by which Federal agencies may secure representative views of State and local governments.

Although recognizing the need for consultation, Federal agencies are sometimes frustrated in their efforts to obtain useful responses which are representative of State and local views. Obviously it is impractical to consult with 50 individual States and hundreds of local governments.

The Task Force believes that the national associations of State and local governments (i.e. National Governors' Conference, Council of State Governments, National Association of Counties, National League of Cities, U.S. Conference of Mayors and International City Managers' Association) can and should play an active consulting role in behalf of their members. This concept has already been established as an alternative to direct consultation in U.S. Bureau of the Budget Circular No. A-85 which provides for consultation with State and local governments in the development of Federal rules, regulations, standards, procedures and guidelines. Under this Circular the Advisory Commission on Intergovernmental Relations acts as the coordinator and intermediary in seeking the views of the national organizations.

The Task Force believes that the role of these organizations can be further strengthened if they act jointly to create a State-local Information Advisory Council to coordinate and guide them in activities which relate to information systems, and, with proper administrative support from the organizations, act as a source of advice to the Federal Government. For example, the Council could serve as the advisor to the U.S. Bureau of the Budget on the impact of Federal reporting requirements upon State and local governments under the terms of the Federal Reports Act of 1942. Such an arrangement would parallel a similar advisory arrangement which the Bureau of the Budget has had in effect with the business community for the past twenty-five years.

Administrative expenses as would be necessary for the operation of the Advisory Council should be borne by the State and local government organizations which sponsor it, just as the expenses of the advisory body for the business community are borne by its sponsors.

The State-Local Information Advisory Council would not supersede such advisory committees or similar bodies that are now in existence as aids to individual Federal agencies.

7. **Recommendation:** Create a Local Information Advisory Council within each State to promote effective consultation between the State and local agencies.

The need for active, continuing, systematic consultation between State and local governments on matters relating to the exchange of information is just as great as the need for consultation between the Federal and State or local governments. A Local Information Advisory Council would be an appropriate device for each State to employ effective consultation. There are State municipal and county associations, local councils of governments, and other bodies which could be used to assure that representative views of local governments were made known to the State government.

8. **Recommendation:** Require evidence of consultation with State and local agencies (or representative bodies) before approving Federal agency requests for information levied on such agencies.

Most Federal agency requests for information that are levied on State and local governments are subject to the requirements of the Federal Reports Act of 1942. All requests for information subject to the Federal Reports Act must be approved by the U.S. Bureau of the Budget. The Task Force recommends that the Bureau of the Budget require evidence of consultation with State and local agencies as a condition of approving any request for information by a Federal agency. Such a requirement will help to insure that intergovernmental consultation on matters relating to the exchange of information becomes a regular procedure in all Federal agencies.

9. **Recommendation:** Coordinate and audit periodically the information requirements imposed on other levels of government by Federal and State agencies.

The Federal Government, acting through the Office of Statistical Standards in the Bureau of the Budget, already acts to coordinate requests for information made by Federal agencies of State and local governments. A number of States have recently created similar statistical coordinating offices in order that this same function might be performed at the State level. This practice should be extended to all States. A number of the Task Force's earlier recommendations in this chapter and in Chapter 2 (particularly the establishment of Information Coordinating Offices) seek to make the coordinating function even more effective at both the Federal and State level.

As State information systems become more widely coordinated, it should be possible to promote the more effective coordination of Federal and State information requests in general.

The Task Force recommends that every request for information made by a Federal or State agency of another level of government should be audited periodically to determine whether (a) the information should continue to be collected and (b) whether some modification of the information being collected is necessary or desirable. The Office of Statistical Standards of the Bureau of the Budget already performs this function for reports subject to the Federal Reports Act of 1942. The Task Force believe that, through more effective consultation with State and local governments as recommended earlier, the Federal Government will be able to perform this function more effectively. The Task Force recommends that procedures similar to those now used at the Federal level be adopted by State information coordinating offices in auditing requests for information made of local governments.

CHAPTER 4

# STRENGTHENING INFORMATION SYSTEMS AT THE LOCAL LEVEL

Much of the information that would be helpful in planning and operating governmental programs exists at the local level. Therefore, a crucial factor in achieving an effective flow of information is the capability of local governments to collect and produce the information in a timely and systematic way.

It is a sobering fact that information systems operated by local governments frequently are not in tune with today's needs. In general, they fall short of satisfying the requirements of local officials and of State and Federal agencies and, most certainly, are seriously deficient in providing essential information regarding the local environment.

There are several reasons for this. Innovative attempts to improve these systems are often frustrated by political, organizational, financial and legal considerations. Added to these frustrations is the burden of information requests from State and Federal agencies, whose uncoordinated demands (discussed in previous chapters) sometimes confound the situation even more.

Of major importance also is the fact that most local governments do not have the professional expertise and the technical capability to cope with the rising complexity of information requirements. Not only does this impede progress, it leaves local officials without an objective appraisal of proposals from commercial suppliers of systems and computers, whose optimistic promises may raise false hopes and lead to expensive failures.

The present inability of local governments to escape unscarred from the shackles of outdated methodology severely jeopardizes the prospects for their effective participation in the structuring of information helpful to their own development. The need to strengthen the capability of local government in this process is, therefore, a matter of higher priority. Fulfillment of this need will facilitate truly intergovernmental approaches to the solution of public problems and will help insure a proper balance among the levels of government.

10. **Recommendation:** Pool the resources of local governments to launch a program of mutual assistance in upgrading local information systems.

Most local governments cannot hope to improve their system capability in any dramatic or progressive fashion if they act independently, because their own resources are usually much too limited.

The Task Force believes, however, that local governments can accomplish much if they act together. There are instances where several contiguous municipalities have already joined forces to study possibilities for sharing the costs of designing new systems in areas of common interest, and of operating the systems through shared computer facilities. Such cooperative efforts not only spread the initial cost of systems development among several local governments, but they also potentially provide each government with a systems and computer capability which it could not justify or support financially on its own. Local governments should be alert to these possibilities and seek to capitalize on them whenever feasible.

The idea of localized cooperation should be expanded to national and regional cooperation. In this respect the national associations of local governments (e.g., National Association of Counties, National League of Cities, U.S. Conference of Mayors, and the International City Managers' Association), and comparable State and regional associations, should play a key role by giving concentrated attention to the plight of local governments and developing national, state or regional programs to provide needed assistance. This type of cooperative action is illustrated by a six-month feasibility study conducted by the Joint Council on Urban Development, an instrumentality of the National League of Cities and the U.S. Conference of Mayors. This study, performed under the auspices of the Economic Development Administration of the U.S. Department of Commerce, was initiated by the National League of Cities and the U.S. Conference of Mayors out of recognition of the need for economic development information by their members. In the words of the study, "Most cities have unfilled needs for comparative socioeconomic data, industrial development information, and data on assistance programs geared to the solution of urban economic development problems."

The National associations should give consideration to developing other assistance programs of the following types:

a. Pilot studies, including research and development of new systems concepts and and techniques that have broad applicability in local government, and of standards of information to be maintained at the local level. To be of maximum benefit, these studies should be carried through the implementation phase, if proved feasible in earlier phases.
b. Training and promotion programs, oriented primarily toward the indoctrination of local government management personnel in the importance and use of information systems and in techniques for improvement.
c. Information exchange programs, particularly supporting and encouraging the extensive use by local governments of the Intergovernmental Information Systems Exchange recommended in Chapter 5.
d. Local government representation in the activities of the United States of America Standards Institute and Federal and State governments in matters related to information systems, as discussed in Chapters 3 and 6.

The Task Force believes that the national associations should join together in the development of these programs so that resources available for these purposes can be maximized through a properly coordinated effort. To this end, the State-Local Information Advisory Council (recommended in Chapter 3) could serve as a useful catalyst in encouraging such joint ventures.

11. **Recommendation:** Enact the Intergovernmental Cooperation Act and the Intergovernmental Manpower Act being considered by Congress.

The Intergovernmental Cooperation Act has been proposed to improve coordination and cooperation among Federal, State and local governments in several respects. One feature would provide general authority to Federal agencies to furnish specialized or technical services to State and local governments.

The Intergovernmental Manpower Act would allow State and local government employees to be admitted to training programs established for Federal professional, administrative and technical personnel.

It is the understanding of the Task Force that both Acts embrace the provision of assistance and training in information systems activities. If implemented, the result of these acts would be to enable State and local governments to benefit directly from the vast experience of Federal agencies in the development of information systems techniques, and from the extensive training facilities operated by the Civil Service Commission and other agencies for systems analysis and design and related matters.

It is acknowledged that there are Federal grant-in-aid and other assistance programs already authorized which include provision for developing and improving information systems at the local level. These are mostly oriented along functional lines and can conflict with the issues of data interrelationships and compatibility across functional lines. These problems may be alleviated by enactment of the Joint Funding Simplification Act discussed in Chapter 3, and by the study being given to the consolidations of related grant programs.

State governments should also be intensely concerned about the information deficiencies of their local governments, and should offer assistance and facilities as possible, making full use of the local Information Advisory Council (recommended in Chapter 3) for guidance as to the most fruitful actions that could be taken.

CHAPTER 5

# SHARING SYSTEMS KNOWLEDGE

The sharing of systems knowledge is a keystone of any cooperative effort to improve the quality, compatibility, and flow of information within and among governments. To the extent that governmental units can exploit successful experiences of others and thereby avoid ill-fated or redundant efforts of their own, progress will be surer, swifter, easier, and cheaper.

12. **Recommendation:** Create an Intergovernmental Information Systems Exchange to (a) serve as a clearinghouse on information systems which are used or are being developed by local, State, and Federal governments and (b) promote compatibility among such systems.

It is generally the practice of governmental units, when beginning a systems improvement project, to seek and use the advice and experience of others who have done similar work. The search is often time-consuming and frustrated by the lack of an organized mechanism through which such information can be obtained. Although there are public and commercial sources that compile and disseminate information of this type, these sources are often not well known and provide very limited coverage. Consequently, the search is often quickly abandoned and the project proceeds on an independent basis.

As a result, huge amounts of time, talent, and taxpayers' money are being squandered nationwide on the continuous re-invention of systems and techniques already in existence. Furthermore, the unilateral development of hundreds of basically similar systems breeds a general condition of incompatible data and methods, and creates a formidable roadblock to the effective exchange of information among governments and the summarization of data at higher levels.

The Task Force believes that the difficulties outlined above can be alleviated substantially by the establishment of an Intergovernmental Information Systems Exchange to function as a central repository and distributor of descriptive data about governmental information systems. The Task Force found widespread agreement at the Federal, State, and local levels on the need and the potential usefulness for an information exchange mechanism of this kind.

Although all levels of government would benefit, the Exchange would be especially helpful in strengthening and accelerating the development of information systems at the local level, the need for which is discussed in Chapter 4. Information systems in counties and municipalities often operate at a low state of efficiency and are incapable of responding satisfactorily to the needs of local managers or to higher levels of government. These deficiencies are caused, in large measure, by the scarcity of technical

skills and related resources, and could be minimized to a significant degree in many localities by the adaptation of information systems developed and being operated successfully by others.

The enormous potential for the fruitful exchange of "systems know-how" is manifested by the hundreds of State and local governmental units which perform functions that are basically similar. Allowing for the inevitable variations, even among organizations of generally similar characteristics, the large number of governmental units suggests that the exploitation of proven systems would be extremely beneficial on a nationwide basis.

The Exchange would also serve as a valuable source of information for Federal and State agencies in planning systems which affect lower levels of government, and in reviewing grant-in-aid applications for the development of information systems in order to avoid unnecessary funding of similar types of systems.

Specifically, the Exchange would

— develop and maintain a central index, with descriptive characteristics, of information systems which are used or are being developed by localities, States, and Federal agencies, and in which there is an appropriate degree of common interest;
— develop and maintain a central index of standard data elements and related codes, statistical standards, and data processing standards (i.e. hardware, software) which have been adopted for general use, including those approved by Federal and State governments and by the United States of America Standards Institute (USASI);
— establish and operate a mechanism for collecting and disseminating the information contained in the central indexes, and
— service inquiries from local, State, and Federal governments regarding information systems and standards.

As the Exchange matures, it can conceivably develop a useful advisory function. The servicing of inquiries, coupled with familiarity of the indexes, will enable the Exchange to detect needs for systems or standards which are not being met, or identify specific types of problems which need attention. Such knowledge should then be transformed into recommendations to appropriate Federal, State and local governments or representative organizations for appropriate action.

13. **Recommendation:** Establish and operate the Intergovernmental Information Systems Exchange under the auspicies of the Advisory Commission on Intergovernmental Relations, assisted by a Steering Committee representing all governmental levels.

The success and usefulness of the Exchange will depend largely on (a) its ability to serve customers from all levels of government effectively and efficiently and (b) the willingness of all levels of government to cooperate in providing the information necessary for its operation. The chances for success will be enhanced if the Exchange functions in an intergovernmental setting which is representative of all interests. It can also become operative sooner if associated with an on-going intergovernmental organization already devoted to serving those interests. Accordingly, the most appropriate organization to sponsor the Exchange is the Advisory Commission on Intergovernmental Relations.

The Advisory Commission was established by Public Law 86-380 to give continuing study to the relationships among Federal, State, and local agencies. Among other things, the Act provides that the Commission will

— bring together representatives of Federal, State, and local governments. Among consideration of common problems, and
— encourage discussion and study of emerging public problems that are likely to require intergovernmental cooperation.

In fulfilling its responsibilities, the Advisory Commission has constituted itself as a central clearing house for information on the many complex aspects of intergovernmental relations, and acts as a coordinating center for further study of intergovernmental problems. Among its tasks, the Commission lists the assembly of selected information on crucial problems and the identification of major sources of information in order to serve as a convenient reference point.

In addition, Bureau of the Budget Circular A-85, (September 30, 1967) established the Commission as an intermediary between Federal agencies and associations of State and local officials in obtaining comments and suggestions from the latter on proposed Federal administrative regulations that affect the roles of governors, mayors, and other local chief executives (mainly in the operation of federally-aided programs).

Further, the Commission's interest in the general problems of information needs and compatibility has already been evidenced by its recent adoption of recommendations that are consistent with the tenor of this report. 1/

The Advisory Commission, as the sponsor of the Exchange, would see to it that the Exchange is established and is operated effectively and efficiently. The Commission should consider the alternatives of operating the Exchange with a professional staff of its

1/ Advisory Commission on Intergovernmental Relations, Fiscal Balance in the American Federal Systems, (in press).

own, or by a contract agreement with another government agency, commercial firm, or other sources.

To assist in carrying out its responsibility, it is recommended that the Advisory Commission create a Steering Committee for the Exchange representing the Federal Government, Council of State Governments, National Governors' Conference, National Association of Counties, National League of Cities, U.S. Conference of Mayors, and International City Managers' Association. The Steering Committee would provide direct liaison with the organizations it represents and would also help in establishing and evaluating the policies, organization and procedures governing the operation of the Exchange.

14. **Recommendation:** Support the Intergovernmental Information Systems Exchange by advance financial contributions from all levels of government.

The Task Force estimates that expenditures for establishing the Exchange might be in the range of $100,000 - $175,000. Annual operating costs will be dependent upon the system that is finally developed. It is recommended that the costs be borne jointly by advance contributions from all levels of government.

To assure prompt establishment of the Exchange, it may be necessary for the Federal Government or a private foundation to underwrite the initial cost (personnel, equipment, facilities, etc.). However, before this step is taken, there should be a clear understanding that State and local governments (through the State-Local Information Advisory Council proposed in Chapter 3), as well as the Federal Government, will subsequently bear their share of the on-going operating expenses.

The Federal share of the operating costs could be provided either by direct appropriation to the Advisory Commission or by advances from these Federal agencies which are most heavily involved in intergovernmental matters.

The State-local share should be provided -- as a practical administrative matter -- through a single instrumentality acting for all State and local governments. The State-Local Information Advisory Council would be the appropriate body to arrange and carry out this financing function.

With such advance funding, the Exchange should not charge for specific services rendered to its governmental "customers." For the Exchange to render effective service and accomplish its intended purpose, it should be readily accessible and responsive to all governmental units that have a need. Individual governmental units should not be deterred from using the Exchange because of charges for its services.

## CHAPTER 6

# ACHIEVING COMPATIBILITY AMONG SYSTEMS

The recent vigorous trend toward the use of electronic computers provides a unique potential for achieving significant improvements in information systems. The Task Force believes that this potential will not be fully realized until the costly and inefficient practices caused by present incompatibilities among equipment and techniques and among the data being processed are eliminated. As extensive users of computers and related automatic data processing equipment, Federal, State and local governments have a strong interest in overcoming these obstacles.

Major, broadly-based programs have been established by the United States of America Standards Institute (USASI) and the Federal Government to develop appropriate information processing standards. These programs, in general, can encompass the needs of Federal, State and local governments. Because of the complex considerations involved in standards development, progress in these programs is often difficult and slow. However, the Task Force believes these programs should be fully supported as the principal means currently available for bringing about a more acceptable degree of compatibility. From the standpoint of assuring effective consideration of Federal, State and local interests in these programs, several actions should be taken.

15. **Recommendation:** Accelerate the recently-established Federal Government program for the development of standard data elements and codes, particularly in major functional areas. Provide for active and organized consultation with the State and local governments when such data elements and codes interact with their system.

Within the framework of this study, the standardization of data that are common to all levels of government represents the most urgent and pressing problem within the broader context of achieving compatibility. The urgency arises out of the accelerating trend toward intergovernmental cooperative arrangements in solving public problems, the increasing pressures for integrated and comprehensive planning at State and local (often regional) levels, and the consequent need for frequent and useful exchanges of information.

The standardization of data elements in common use, and of the codes used to represent these data elements, will promote a better understanding among governments of the information being processed, improve its reliability, and enable it to be exchanged among governments and summarized without expensive and time-consuming translation processes. The overall usefulness of the information will, therefore, be enhanced immeasurably, irrespective of whether the data are processed by electronic, mechanical or manual means.

In recognition of its own urgent needs for standards, the Federal Government has formulated Government-wide programs under the leadership of the Bureau of the Budget which are intended to provide appropriate data and statistical standards. One of these programs, which is closely coordinated with a similar program being developed by the

United States of America Standards Institute, is described in U.S. Bureau of the Budget Circular A-86 (September 30, 1967). This program provides for the standardization of data elements and codes in three categories:

1. **General standards** – for data in common use throughout Federal Government, such as elements of time, and country and organizational designations.
2. **Program standards** – for data in common use by more than one Federal agency in connection with a major program (functional) area such as crime, transportation, education, and health.
3. **Agency standards** – for data in common use only within programs of a single Federal agency.

As work proceeds at the Federal level, it is inevitable that the developmental efforts will involve data that are common not only to Federal agencies but also to their counterparts at the State and local levels. This interaction is recognized by the Bureau of the Budget Circular. The Task Force strongly urges that Federal agencies couple these standardization efforts with a vigorous prosecution of the recommendation in Chapter 3 which calls for organized consultation in the development of intergovernmental systems in major functional areas. Close collaboration in these two efforts will aid the accomplishment of both. In other words, the Task Force believes that the Federal program can provide the basis for the development of data standards which, at the same time, would be acceptable to State and local governments in areas where compatibility is needed among governments.

The U.S. Bureau of the Budget is also responsible for promoting statistical standards for Government-wide use by Federal agencies. Acting under the authority of the Budget and Accounting Procedures Act of 1950 and under Bureau of the Budget Circular A-46 (March 28, 1952) the Bureau establishes standards for data collection procedures, standard concepts and definitions, and standards for statistical publication.

The interest of governors in promoting interstate comparability of statistical information has led to expanded State efforts of a similar nature. As early as 1964, the National Governors' Conference began to press for stronger and more formal efforts to promote statistical standardization. As the result of the Governors' initiative, a National Conference on Comparative Statistics, representing all levels of government, was called in early 1966. A second National Conference is scheduled for April 1968. Since the Bureau of the Budget has agreed to provide a Secretariat for the National Conference on Comparative Statistics, the Conference is an appropriate vehicle for promoting an intergovernmental exchange of views to define priority needs for statistical standardization and for formulating an intergovernmental program to secure priority objectives.

16. **Recommendation:** Provide for active participation by State and local governments in the national program for the development of information processing standards being conducted under the auspices of the United States of America Standards Institute (USASI). Such participation would augment and complement the considerable efforts now being devoted to this program by the Federal Government.

USASI is a privately supported organization acting as the national clearinghouse and coordinating agency for voluntary standards in the United States. Its major functions are:

1. to provide systematic means for the development of USA Standards;
2. to promote the development and use of national standardization in the United States;
3. to approve standards as USA Standards provided they are accepted by a consensus of all national groups substantially concerned with their scope and provisions;
4. to coordinate standardization activities in the United States;
5. to serve as a clearinghouse for information on USA and foreign standards;
6. to represent American interests in international standards work.

In response to the national need for information processing standards, USASI has established a Sectional Committee on Computers and Information Processing, commonly referred to as the X3 Committee. The membership of this Committee, sponsored by the Business Equipment Manufacturers Association, is drawn equally from three groups of national associations or organizations: general interest, users and producers. Federal Government representation is provided by the National Bureau of Standards in the general interest group, and by the Department of Defense and the General Services Administration in the user group. Other organizations in the user group include, for example, the American Bankers Association, Association of American Railroads, and the National Retail Merchants Association.

Eight standing subcommittees and about 35 work groups perform the developmental work necessary in formulating standards proposals for approval as USA Standards.

Because USASI's procedures are based upon the principle of "national consensus," a USA Standard represents a national authoritative standard in its immediate field of application. For this reason, the Federal Government generally seeks to satisfy its needs for standards by participating actively in the USASI program, rather than proceeding unilaterally to develop its own.

User representation in the USASI program would be considerably enhanced by the active interest and participation of State and local governments which, in total, constitute a major segment of user interest. Such participation would not only provide a national forum for State and local governments to express their views on these important matters, but it would also complement the considerable effort now being devoted by the Federal Government to this purpose and would add strength to the total standards program.

State and local government representation in the USASI program could best be provided through national organizations such as the Council of State Governments, National Governors' Conference, National Association of Counties, National League of Cities, U.S. Conference of Mayors, and the International City Managers Association. It is therefore recommended that these organizations initiate discussions with the Business Equipment Manufacturers Association (sponsor of the Sectional Committee on Computers and Information Processing) to arrange such participations, perhaps on a joint basis. The discussions might well be conducted for these organizations by the State-Local Information Advisory Council recommended in Chapter 3.

17. **Recommendation:** Implement approved information processing standards at the State and local levels of government, based upon recommendations of the national associations which represent these governments.

The approval of information processing standards does not necessarily assure their implementation and use. Although the weight of a national consensus will influence their use, standards approved by USASI are, nevertheless, voluntary. The Federal Government has a procedure for considering these voluntary standards and declaring them also to be Federal standards, at which time their use, generally speaking, becomes mandatory within the Federal Government. The use of standard data elements and codes developed and approved under the Federal program described earlier in this chapter will also be mandatory within the Federal Government.

State and local governments must similarly be prepared to consider and prescribe information processing standards for mandatory use. As a minimum, consideration should be given to the adoption of all USASI-approved standards and to Federally-approved standards. In order to promote as much uniformity among State and local governments as possible, the national associations of these governments, with the advice of their State-Local Information Advisory Council recommended in Chapter 3, should actively considered and recommend to their members the appropriate action, both executive and legislative, to be taken.

The recommendations in Chapter 5 call for the establishment of an Intergovernmental Information Systems Exchange whose functions are intended to include the maintenance of a central index of approved information processing standards. This index would provide the Federal, State and local governments with a common and convenient reference source for all such standards, and would, therefore, serve to promote and extend the use of existing standards and minimize the proliferation of nonstandard practices.

CHAPTER 7

# IMPROVING INFORMATION ABOUT FEDERAL ASSISTANCE PROGRAMS

Apart from the need to improve information systems in general, the tremendous growth of Federal assistance and the numerous types of Federal grant-in-aid programs that are available to State and local governments (including some that are available for developing information systems) compels the Task Force to address itself to the need for a specific kind of information system, i.e., a comprehensive system to inform State and local governments of the programs available.

18. **Recommendation :** Designate a Federal Information Center on Assistance Programs to serve as the primary national source of information on these programs.

At present, there exist more than 400 Federal assistance programs administered by more than a score of Federal agencies. These programs cover such a wide array of subjects that it has become increasingly difficult for State and local governments to know exactly what programs are available, to what use they may be put, and how to proceed to apply for and obtain them. Further, State and local governments are inadequately informed regarding the extent to which Federal funds have been appropriated and/or budgeted to carry out authorized grant programs.

Due to this lack of knowledge, State and local governments have been unable to plan their programs with full assurance that they have considered all potential sources of Federal assistance. Since they are unsure of the purposes and procedures of many assistance programs, the local governmental units encounter delays and frustrations in their efforts to obtain the hoped-for Federal aid.

State and local governments are also inhibited by the lack of information on the funding levels of grant programs. Often, State and local governments will expend considerable time and effort in developing applications for grants, only to learn to their dismay that the Federal agencies have already allocated the funds available. This "wasted" effort may have its benefits in that the local government surveys its needs and the Federal Government gains a reservoir of unfilled applications to support requests for additional appropriations from Congress. However, the absence of information on funding levels allows State and local governments little choice except to proceed on the optimistic, but often false, assumption that funds are available.

The Task Force believes that much of the present frustration and dissatisfaction could be alleviated if the Federal Government designated a Federal Information Center on Assistance Programs, which would be recognized and used by State and local governments as the primary source of information regarding these programs.

As a minimum, the Center should be equipped to provide timely and authoritative data on all programs and activities of the Federal Government that provide assistance to State and local governments, including financial aid, provision of Federal facilities and services, donation of surplus real and personal property, technical assistance and counseling, and statistical informational services. Information on these programs should include the purpose of the program, intended beneficiaries, eligibility criteria, financial arrangements, and points of contact where additional information of a more detailed or "perishable" nature can be quickly obtained.

The Task Force is aware of the existence of a Bureau of the Budget study of the informational requirements in this regard, leading to the provision of a comprehensive Catalog of Federal Assistance Programs. It is understood that the Office of Economic Opportunity will assume responsibility as the lead agency in developing this improved Federal catalog.

It is suggested, therefore, that the Office of Economic Opportunity be designated as the agency to operate the Federal Information Center on Assistance Programs recommended above. The formal designation of this function as <u>the</u> Federal Information Center on Assistance Programs would strengthen its identification in the minds of State and local government officials as the primary reference source at the Federal level for <u>all</u> programs and would, thereby, firmly establish a readily accessible communications channel for these officials.

The Federal Information Center on Assistance Programs should give continuing study to the informational requirements of State and local governments regarding aid programs so that the Center is capable of giving prompt and effective response to these needs. These studies should consider the use of the latest data processing and communications techniques as a means for instantaneous response and feed-back if dictated by requirements. In this connection the Task Force is aware of Senate Joint Resolution 110 (90th Congress) which proposes a study of the feasibility of establishing an automated system for informing State and local governments about assistance programs and facilitating their use.

CHAPTER 8

# GUIDELINES FOR ACTION

The thrust of the recommendations in the preceding Chapters is to stimulate a coordinated, intergovernmental approach to the problems of improving information systems. This approach can be facilitated if all levels of government move forward within the framework of mutually acceptable guidelines for action.

19. **Recommendation :** Issue guidelines to be used by Federal agencies for cooperating with and assisting State and local governments in improving the flow of information within and among governments.

The Task Force has prepared a proposed guideline statement which embodies the concept of cooperative action as it applies to the Federal level. It provides (a) a brief description of the factors that motivate an intergovernmental approach, (b) policy guidance on general support of State and local information activities, (c) policy guidance on consultation with State and local governments in the development of information systems and (d) policy guidance on applications from State and local governments for financial assistance in developing and operating their information systems.

The proposed statement is attached to this Chapter. It is recommended that the U.S. Bureau of the Budget issue this statement as a Bureau of the Budget Circular for the guidance of all Federal agencies.

20. **Recommendation :** Issue similar guidelines to be used by States and major local governments.

The Federal guidelines described in the preceding recommendation and attached to this Chapter can readily be adapted for State and local use. Because it would involve much repetition, the Task Force has not attached guidelines applicable at these levels.

However, upon issuance of the Federal guidelines it is recommended that the Council of State Governments (Committee on Information Systems) prepare a similar guideline document and recommend its issuance by each State Government.

Also, it is recommended that the National Association of Counties, National League of Cities, U.S. Conference of Mayors and International City Managers' Association jointly prepare a similar guideline document and recommend its issuance by each major local government.

The coordinated, nationwide issuance of these documents at the Federal, State and local levels of government would make a significant contribution to fostering the cooperative spirit and common understanding that is so essential to progress in this area of activity.

ATTACHMENT TO CHAPTER 8

## PROPOSED FEDERAL GUIDELINES

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Federal, State and local information systems

1. **Purpose.** This Circular provides guidance to Federal agencies for cooperating with and assisting State and local governments in the development and operation of information systems. However, the general application of these guidelines is subject in all cases to existing Federal laws and regulations, including legislative and funding authorities governing specific Federal grant-in-aid programs.

2. **Background.** Requirements for information at the Federal, State and local levels of Government are increasing at a rapid rate. This information is necessary to plan, operate and evaluate governmental programs devoted to public needs that are becoming more complex.

These complex needs usually require coordinated action by a number of separate but related governmental programs, including many which are in the form of Federal, State and local partnership arrangements. For these programs to function properly, there is a compelling need for useful information to flow easily both horizontally and vertically within and among all levels of government.

There are several factors which can facilitate the difficult task of achieving an effective flow of information.

First, much of the data that is collected, processed and produced has a significant degree of commonality among information systems, thereby offering the prospect for the direct exchange of information among governmental organizations and a meaningful summarization of data for evaluation purposes.

Second, the commonality of information and the close coordination that is needed among governmental programs is tending to bring about the integration of information systems which were previously considered separate and distinct. The intent of such integration is to recognize, in an organized meaningful fashion, the interrelationships that exist among programs and the fact that the same information can serve many needs. Characteristically, integrated information systems often involve the use of common data and electronic data processing techniques; and are sometimes approached on a government-wide basis.

Third, the types of information systems required by the States and by local governments also have a significant degree of commonality because the functions performed by governments at each level are generally similar. This fact provides opportunities for the useful exchange of systems know-how among governments to exploit the best ideas and to

minimize the expenditure of resources, including Federal aid, for the design of systems which may already be operational or under development elsewhere.

Fourth, the increasing use of electronic data processing techniques enhances the capability for providing and exchanging needed information quickly and efficiently, but at the same time demands a greater degree of compatibility among the equipment and the data processing systems in order to be fully effective. Possibilities also exist for a more efficient use of expensive data processing equipment through joint utilization arrangements.

Fifth, there are Federal grand-in-aid authorizations that include provision for financial assistance to State and local governments in developing and operating information systems that are needed for administering a grant program or an internal operating program. A consistent approach by Federal agencies with respect to grant-in-aid applications can aid in providing a greater degree of coordination and compatibility among such systems.

In view of the above, it is the intent of this Circular to establish a framework of actions by Federal agencies which, in cooperation with State and local governments, will contribute to achieving a more effective intergovernmental flow of information.

3. **Definitions.** The term "information system" refers to a body of organized procedures for the collection, processing and dissemination of information. It refers to continuing systems and to systems established for one-time reports. The procedures may, but need not, involve the use of automatic data processing equipment.

4. **General support activities.**

a. Federal agencies will support programs of State and local governments to coordinate and improve the effectiveness of their information systems on a government-wide basis, including the efficient utilization of automatic data processing facilities. When Federal funds are provided in the financing of such activities, Federal agencies will not place restrictions on the use of such funds which will encumber the heads of State and local governments in achieving their objectives.

b. As provided by General Services Administration Federal Property Management Regulation A-17, Federal ADP Service Centers will provide services to State and local governments, on a reimbursable basis, when such services are financed and authorized by Federal grant-in-aid programs. State and local governments should be urged to obtain these services whenever it is economically and otherwise advantageous to do so.

c. Federal agencies will cooperate in intergovernmental ventures intended to improve information systems. Such ventures include (1) collaboration in representing governmental views in deliberations of the United States of America Standards Institute which relate to information processing standards, (2) sharing experiences in the development and operation of Federal, State and local government systems, (3) providing, upon request, Federal representation in forums or projects sponsored by State and local governments or by representative organizations when Federal interests are involved, and (4) direct technical assistance when specifically authorized.

5. **Consultation on Federal Information Systems activities.**

a. Federal agencies will initiate consultations with State and local governments whenever a proposed Federal system involves a flow of information to or from State and local governments or otherwise impinges significantly upon systems operated by State and local governments. Such consultation is consistent with the objectives of Circular A-85 which affords chief executives of State and local governments a reasonable opportunity to comment on significant proposed Federal regulations.

b. The purposes of this consultation are to (1) provide advance notice of impending Federal requirements, (2) achieve a better understanding of the capabilities of State and local governments for responding to the requirements, (3) make effective use of data maintained under existing systems to the extent possible, (4) avoid unnecessary conflict with requirements imposed or being considered by other Federal agencies, (5) promote compatibility among systems when appropriate, and (6) generally, to prepare the way for implementing and operating the proposed system in a responsive and efficient manner.

c. As a general rule, the consultation process should begin during the early stages of system planning, and may follow the procedures outlined in Circular A-85. In the development of systems in major functional areas, Federal agencies should seek active consultation from State and local governments during the course of the study projects. This contemplates, for example, the formation of intergovernmental study teams, or the provision of intergovernmental representation on project steering committees, or other similar types of arrangements.

d. If Federal agencies are unable to arrange for suitable State and local representation, assistance may be obtained from the Advisory Commission on Intergovernmental Relations, National Governor's Conference, Council of State Governments, National Association of Counties, National League of Cities, U.S. Conference of Mayors and the International City Managers' Association, all of which are recognized as representative State and local associations.

6. **Federal Grant-in-aid Programs.**

a. Federal agencies will support applications from State and local governments for financial assistance in developing and operating information systems, subject to grant authorities and available funds. In general, applications should include information which demonstrates that:

(1) the proposal represents a carefully prepared analysis of the objectives and need for the system and provides an acceptable plan for proceeding,

(2) the proposal will lead to improvements or benefits which justify the costs involved, or is otherwise consistent with the objectives of the grant program,

(3) advantage will be taken of the knowledge and experience of similar studies or operations conducted by others, including appropriate conformance to recognized information processing standards, so as to avoid needless redundancy of effort and expense,

(4) the proposal is consistent and coordinated with other systems being studied or operated by State or local government.

(5) matching funds (when applicable) and other resources and skills necessary for carrying out the proposal in a satisfactory manner are available,

(6) the costs, including sources and amounts of Federal and non-Federal funding and the basis for the allocation of cost among the sources, are reasonable.

b. Federal agencies will review each proposal in the context of other similar types of proposals under consideration or previously approved in order to assist the applicant in taking advantage of other experiences, promote compatibility and avoid unnecessary duplicate effort.

c. In approving proposals for the conduct of developmental studies, it should be understood by all concerned that additional support for establishing and operating the system when developed, will be dependent upon a favorable review of the study results. In making such reviews, or when considering original proposals for the establishment and operation of a system, Federal agencies will require the applicant to provide a summary of the system study on which the proposal is based, including the information specified in paragraph 6a.

d. Proposals will sometimes involve two or more grant-in-aid programs and possibly several Federal agencies, as in the case of integrated information systems. These pose special problems for the Federal Government in coordinating its action on the proposals and for the State and local governments who, under present grant authorizations, must deal separately with each agency involved. To minimize these difficulties, State and local governments should be instructed to develop their proposal as a complete system package, relating the information called for in paragraph 6a as closely as possibly to each of the programs involved in order to facilitate the judgments that need to be made under each. The package should be transmitted simultaneously to each of the agencies involved. The Federal agency which is identified in the proposal as having the predominant financial interest will automatically assume the role of "lead agency." The responsibility of the lead agency will be to convene all other agencies involved for the purpose of conducting a joint review of the merits of the proposal, exchanging views on possible agency actions and, generally, framing a coordinated approach to the proposal. As appropriate, the applicant should be invited to participate in such meetings to minimize the need for separate consultations with each agency. Final decisions as they relate to each grant-in-aid program involved in the proposal shall be exercised by the responsible Federal agency in accordance with existing authorities, based on recommendations made by the lead agency.

e. Each Federal agency having responsibilities for grand-in-aid programs will designate a single office to act as the "lead office" in coordinating proposals which involve grant-in-aid programs administered by two or more operating entities within the agency. Such lead offices will also serve as the contact point for the lead agencies designated under paragraph 6d when a proposal involves more than one agency.

CHARLES J. ZWICK
Director

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